Our priorities:
In early childhood
High expectations, closing the gaps

**Increasing access to preschool**

In 2014, according to the department’s annual preschool census, the number of children in the year before school and three-year-old children from disadvantaged or Aboriginal backgrounds enrolled in government or community preschools increased by 1.7 per cent.

The increase has been facilitated by the new preschool funding model, which came into effect in January 2014. This initiative increased the base funding rates for children in the year before school, bringing the minimum and maximum base rates up by 45 per cent and 75 per cent respectively.

The new funding model also provides additional equity funding for children from low-income families and Aboriginal children aged three and over. The number of Aboriginal children enrolled in government and community preschools increased by 6.2 per cent in 2014 with Aboriginal children representing 8.0 per cent of total enrolments, up from 7.4 per cent in 2013.

In August 2014, the Minister for Education announced the new Preschool Disability Support Program to improve access to preschool and support equitable education outcomes for children with disability in community preschools. From 2015, the program will provide a new universal disability loading in the form of targeted funding based on enrolments to support the inclusion of children with disability or additional needs. The program also provides higher rates of funding for children with higher needs and supports professional development with a new scholarship program for special education teachers. Preschools received their first disability loading payment in December 2014 and will receive their first child-based payment in Term 1, 2015.

In 2014, we distributed $984,635 in capital funding to community-based preschools in rural and remote NSW. These preschools were chosen because of the high level of need for more preschool places in their local communities. The capital works grants are used to extend existing buildings or construct new, purpose-built facilities. In total the program will deliver 362 new preschool places across rural and remote areas of the state.

**Giving young children the best start at school**

In 2014, the Best Start Kindergarten Assessment, which identifies the literacy and numeracy skills that each child brings to Kindergarten, was conducted in all NSW public schools. This involved 70,297 children and over 3,700 teachers. The department’s Planning Literacy and Numeracy (PLAN) software enables teachers of students in Kindergarten to Year 8 to enter initial assessment data, as well as track the progress of students against our literacy and numeracy continuums as they move through each year of school.

The Transition to School Statement was launched in September 2014. This is a child-focused, practical and user-friendly tool designed in consultation with educators and teachers from the early childhood and schools sectors. It summarises a child’s strengths, identifies interests and approaches to learning and suggests ways these can be supported.

The statement is completed by the child’s early childhood educator, in cooperation with the child’s family. This information is then communicated to the child’s intended school, where it provides the school and teachers with information they can use in planning and preparing for the child’s arrival and transition into the new learning environment.

A successful trial was completed in early 2014 with feedback collected from early childhood education and care services and educators, parents and carers, Kindergarten teachers and principals. The department’s Centre for Education Statistics and Evaluation has begun an evaluation of the statement, which will continue into 2015.
Quality teaching and leadership

Implementing the National Quality Framework

The department continued to implement the National Quality Framework (NQF), which came into effect in 2012. The framework aims to improve the quality and consistency of early childhood education and care across Australia through an integrated approach to the approval, quality assessment and compliance of services with the national legislation. It applies to around 5,000 services in NSW, including long day care centres, preschools, family day care services and outside school hours care services.

As of December 2014, the department had rated and published almost 3,000 reports for services. This included 47 of the department’s preschools.

In 2014, we worked with the early childhood sector and other jurisdictions to refine and streamline the process for assessment and rating. The department also partnered with other jurisdictions, the Commonwealth and the Australian Children’s Education and Care Quality Authority to review the NQF itself. Consultation on a regulatory impact statement began in November 2014 and will inform potential legislative changes.

The department also monitors compliance with legislative requirements, investigates complaints and responds to incidents. In 2014, these activities involved around 2,800 visits to service providers. We responded to over 33,200 telephone enquiries, 12,650 email enquiries and handled over 9,640 regulatory notifications from service providers.

Building the knowledge and skills of early childhood educators

The department continues to support early childhood educators to improve their skills and qualifications, assisting services to achieve the best outcomes for children and meet the requirements of the NQF.

In early 2014, the department finalised a second round of early childhood teaching scholarships, each worth up to $10,000, to early childhood educators to upgrade their qualification to a bachelor degree. We awarded 70 scholarships to early childhood educators working in rural and remote NSW. This brought the total scholarships awarded across both rounds of the program to 102. Of these, 63 per cent went to educators in rural and remote areas, including three Aboriginal educators.

The Preschool Disability Support Program includes a scholarship program to help staff develop new skills. The department provides funding to support preschool educators complete postgraduate study to assist children with additional needs. Up to 20 scholarships will be available each year and will cover the full cost of a graduate certificate or masters degree.
New and better ways of doing business

Reforming the funding of early childhood education and care

In January 2014, the new preschool funding model came into effect, making $150 million available to the community preschool sector, a 20 per cent increase on previous funding levels. Under the model, 95 per cent of community preschools will see an increase in their base funding rate, with the highest increases directed to children from disadvantaged backgrounds. The additional investment was supported by the National Partnership for Universal Access to Early Childhood Education.

The changes to the funding system are based on a review by Professor Deborah Brennan, who found that government funding for early childhood education was complex, inefficient and poorly targeted, meaning that not enough children in the year before school and from disadvantaged backgrounds were accessing preschool. Professor Brennan estimated that up to 30,000 children were missing out on early childhood education in the year before school.

In line with Professor Brennan’s recommendations, funding for community preschools is being targeted towards children four and five years old in the year before school and children three years old from disadvantaged and Aboriginal backgrounds. The changes aim to drive increased participation and reduced fees so that cost is not a barrier to access for these children.

To help preschools adjust to the new funding arrangements, the NSW Government established a Community Preschool Operational Support program. This assists eligible community preschools develop the business skills necessary to operate an efficient and effective service and to ensure their sustainability over the longer term. The first stage of this program commenced in September 2014 with local Small Biz Connect advisors providing general business advice and health checks to participating preschools.

For a small number of community preschools additional support may be required to ensure that children have continued access to a local early childhood education service. The department is developing a program to support the viability of eligible services. The eligibility criteria are underpinned by six guiding principles for additional funding developed in consultation with the community preschool sector. We are now working to develop appropriate settings for the eligibility criteria to inform a policy that is equitable and supports universal access. Further consultation will continue into 2015.